

# A.M.A. NEWS LETTER

AMERICAN MANAGEMENT ASSOCIATION, 330 WEST 42nd ST., NEW YORK, N. Y.

JULY 20, 1936

## PERSONNEL PLANS BEING PREPARED

### Program Under Spates

Under the leadership of the AMA Vice President in charge of the Personnel Division, Thomas G. Spates, Director of Industrial Relations, General Foods Corporation, New York, plans are rapidly maturing for a Personnel Conference to be held late this year. Mr. Spates and his committee have already taken the first steps toward program-building—carrying on consultations, and very fruitful ones, with some of those members especially interested in the work of this division.

It seems probable that particular emphasis will be placed upon problems in connection with the rebuilding of the working and supervising forces and that there will be a valuable and concrete review of the most progressive practices in the selecting, training, and compensation of workers and supervisors.

It has been suggested that it would be particularly appropriate to include at this conference some discussion of the need for greater appreciation by heads of companies of the value of sound industrial relations and personnel management.

## SURVEY BEING MADE OF BENEFIT ASS'NS

Members who maintain mutual benefit associations are urged to send in such literature as they may have on them, particularly two or three copies of the constitution and by-laws or rules and if possible the latest annual report.

In addition to renewing our collection of benefit plan literature, we are sending out a questionnaire which may yield much interesting material but as this questionnaire will necessarily reach only a small percentage of our membership, many members who might furnish valuable information will not receive copies. We hope that these will write us, describing how their mutual benefit associations weathered the depression, particularly as regards such aspects as sickness and mortality experience, special assessments or donations, decrease in number of members, strikes and unionization.

## AMA VICE PRESIDENTS PLANNING FALL PROGRAMS



GEORGE L. HARRIS

BUSY THESE SUMMER days with problems attending the building of programs for meetings of the respective divisions which they head are George L. Harris of the Addressograph-Multigraph Corporation, Vice President of the Office Management Division and Mark M. Jones, President of the Akron Belting Company, Vice President of the Division of Finance and Accounts.

IN THE FALL HUNDREDS of AMA'ers will taste the fruits of their summer labor. The backgrounds of both of these men are impressive:

Mr. Harris has been instructor in the University of Chicago and Knox College; Principal of the University of Chicago Experimental High School, lecturer on office management at Drexel Institute, Philadelphia, for several years; a member of the Bureau of Industrial Research which handles the systems work for the public utilities of Chicago; and Manager of office systems for the Southeastern Power Company, Philadelphia Electric Company and Westinghouse Electric & Manufacturing Company. Mr. Harris has been connected with the Addressograph-Multigraph Corporation since April, 1935. He is Manager of Sales Research and Systems Department and has charge of all educational activities of the company.

Mr. Harris is the author of several articles on business organization and



MARK M. JONES

Mr. Jones is President of the Akron Belting Company, manufacturers of leather belting. He is also a Consulting Economist dealing with business organization and management, and as such has been concerned with railroads, life insurance, real estate, coal and many other lines of industry and finance, as well as with business organizations and associations. He has given special attention to the economics of philanthropy and has served many of the larger foundations and philanthropists professionally in the planning or reviewing of large outlays.

He has in the course of his career lived in different parts of the United States and at different times during the past thirty years has served as an Industrial Traffic Manager, a Chamber of Commerce Secretary, Director of Personnel of The Thomas A. Edison Industries, Director of an Economic Staff for Mr. John D. Rockefeller, Jr., and in other capacities. He is Vice President of the American Leather Belting Association, Economic Consultant of the Hospital Survey for New York and Vice Chairman of the Transportation Policy Committee of the Transportation Association of America, as well as having been one of the most active members of the AMA where he has given yeoman service on the Finance Committee.

his first book "Business Offices" was published last year.

# A.M.A. NEWS LETTER

AMERICAN MANAGEMENT ASSOCIATION, 330 WEST 42nd ST., NEW YORK, N. Y.

JULY 20, 1936

## PERSONNEL PLANS BEING PREPARED

### Program Under Spates

Under the leadership of the AMA Vice President in charge of the Personnel Division, Thomas G. Spates, Director of Industrial Relations, General Foods Corporation, New York, plans are rapidly maturing for a Personnel Conference to be held late this year. Mr. Spates and his committee have already taken the first steps toward program-building—carrying on consultations, and very fruitful ones, with some of those members especially interested in the work of this division.

It seems probable that particular emphasis will be placed upon problems in connection with the rebuilding of the working and supervising forces and that there will be a valuable and concrete review of the most progressive practices in the selecting, training, and compensation of workers and supervisors.

It has been suggested that it would be particularly appropriate to include at this conference some discussion of the need for greater appreciation by heads of companies of the value of sound industrial relations and personnel management.

## SURVEY BEING MADE OF BENEFIT ASS'NS

Members who maintain mutual benefit associations are urged to send in such literature as they may have on them, particularly two or three copies of the constitution and by-laws or rules and if possible the latest annual report.

In addition to renewing our collection of benefit plan literature, we are sending out a questionnaire which may yield much interesting material but as this questionnaire will necessarily reach only a small percentage of our membership, many members who might furnish valuable information will not receive copies. We hope that these will write us, describing how their mutual benefit associations weathered the depression, particularly as regards such aspects as sickness and mortality experience, special assessments or donations, decrease in number of members, strikes and unionization.

## AMA VICE PRESIDENTS PLANNING FALL PROGRAMS



GEORGE L. HARRIS

BUSY THESE SUMMER days with problems attending the building of programs for meetings of the respective divisions which they head are George L. Harris of the Addressograph-Multigraph Corporation, Vice President of the Office Management Division and Mark M. Jones, President of the Akron Belting Company, Vice President of the Division of Finance and Accounts.

IN THE FALL HUNDREDS of AMA'ers will taste the fruits of their summer labor. The backgrounds of both of these men are impressive:

Mr. Harris has been instructor in the University of Chicago and Knox College; Principal of the University of Chicago Experimental High School, lecturer on office management at Drexel Institute, Philadelphia, for several years; a member of the Bureau of Industrial Research which handles the systems work for the public utilities of Chicago; and Manager of office systems for the Southeastern Power Company, Philadelphia Electric Company and Westinghouse Electric & Manufacturing Company. Mr. Harris has been connected with the Addressograph-Multigraph Corporation since April, 1935. He is Manager of Sales Research and Systems Department and has charge of all educational activities of the company.

Mr. Harris is the author of several articles on business organization and



MARK M. JONES

Mr. Jones is President of the Akron Belting Company, manufacturers of leather belting. He is also a Consulting Economist dealing with business organization and management, and as such has been concerned with railroads, life insurance, real estate, coal and many other lines of industry and finance, as well as with business organizations and associations. He has given special attention to the economics of philanthropy and has served many of the larger foundations and philanthropists professionally in the planning or reviewing of large outlays.

He has in the course of his career lived in different parts of the United States and at different times during the past thirty years has served as an Industrial Traffic Manager, a Chamber of Commerce Secretary, Director of Personnel of The Thomas A. Edison Industries, Director of an Economic Staff for Mr. John D. Rockefeller, Jr., and in other capacities. He is Vice President of the American Leather Belting Association, Economic Consultant of the Hospital Survey for New York and Vice Chairman of the Transportation Policy Committee of the Transportation Association of America, as well as having been one of the most active members of the AMA where he has given yeoman service on the Finance Committee.

his first book "Business Offices" was published last year.

4 1936

# A.M.A. NEWS LETTER

AMERICAN MANAGEMENT ASSOCIATION, 330 WEST 42nd ST., NEW YORK, N. Y.

JULY 20, 1936

## Extensive Plans in Preparation For Fall Meetings Of Financial and Office Management Divisions

### Financial Conference VITAL!

Among the most critical problems facing business today are those which stare at the accounting and treasury departments: The speed with which buildings and machinery become obsolete as improvements are made, new features of tax legislation, present obstacles to the flow of capital, financial and accounting aspects of obsolescence, effects of the Securities Exchange Act and of margin regulations on business—these and other problems which are being met by executives every day. A program for the fall meeting of the Finance and Accounts Division of the AMA is in preparation, and Divisional Vice President Mark M. Jones, President, Akron Belting Company, New York, is working with a representative committee of the AMA to round out a program of intense interest to those who must face these and similar problems.

The men who have been working on this program feel that it will be of such wide appeal that they are eager to have any and all members may care to give them in the way of suggestions and comments.

### Meeting Dates and Places To Be Announced

Final dates and locations of the fall and winter conferences will be determined at the next Executive Board meeting which has been called by Chairman James O. McKinsey for July 28 in New York. Detailed announcements will follow shortly.

### Silver Bay Conference

The big date for the personnel world this summer will be Aug. 19-22 when the 19th annual Silver Bay Conference will be held at Lake George, N. Y. Many AMA people plan to attend. The New York address of the conference, which is sponsored by the national Y.M.C.A., is 347 Madison Avenue.

### Office Management Meeting TIMELY!

Plans for the conference of the Office Management Division to be held in the fall are going rapidly ahead under the direction of AMA Divisional Vice President George L. Harris, Manager of Sales Research and Methods, Addressograph-Multigraph Corporation. Meetings of a program-planning group have been held by Mr. Harris in New York and as a result, a tentative program has been drafted.

Present plans indicate that the conference will be held in October.

Among the subjects planned for the conference are: What is the Office Manager's Job? Organization for Control of Office Activities; Office Gadgets; Ingenuity in Devising Effective Methods; Measuring Office Output; What Work Can Most Economically Be Done in Branch Offices? Branch Office Control; How to Budget and Control Office Expenses; A Plan for Watching Miscellaneous Office Expense.

One of the half-day sessions will be devoted to a discussion of training programs, with papers on selecting office workers, pre-employment training for office work, training in the office, and the training of supervisors.

It is expected that at the concluding session of the conference there will be a panel discussion session on "How to Sell Sound Office Management to Business Executives," a subject which is of great interest to those in charge of office work today. This panel discussion will be similar to the very successful one held in connection with the Production Conference in Cleveland last year.

### MEMBERS

**After you have read these preliminary program plans, please send us your thoughts and suggestions on topics and speakers.**

**Address President Alvin E. Dodd at the Association headquarters.**

LIBRARY  
UNIVERSITY OF WASHINGTON  
SEATTLE

## Macleod, Dodge Tally With Marketing Topics

### Sales Training, Marketing Developments, Consumer Cooperatives. Among Subjects Likely for Discussion

One of the outstanding fall meetings of AMA will be the Marketing Conference under the joint auspices of the Industrial Marketing and Consumer Marketing Divisions of the Association. Industrial Marketing Divisional Vice President J. H. Macleod, Vice President, Sales Division, The Hinde & Dauch Paper Co., Sandusky, Ohio, and Consumer Marketing Divisional Vice President H. W. Dodge, Vice President, The Texas Company, New York, are working with their joint committees in drawing up a program for this conference.

Right now it seems probable that the opening session of the conference will include papers on the training of sales executives and on the training of salesmen. Another half-day session will have to do with some of the important new developments which affect the determination of marketing policies. An intensive treatment of the future of consumer cooperatives is expected. It is possible that there will also be discussion of what the sales and marketing executive must know about the Robinson-Patman and Social Security Acts.

Further papers tentatively planned include: Marginal Balances, a New Concept of Sales Cost; the Salesman's Greatest Need—Effective Sales Tools; How Planned Sentences Can Increase Sales Volume; Surveying Customer Attitudes; and, Missing Links in Marketing Statistics Needed for Sales Planning.

There will be opportunity for thorough-going discussion of many detailed questions of current importance in the administration of the sales department. During the discussion of these questions, a well-qualified jury of executives will lead the discussion.

The program-planning group will be very appreciative of suggestions to speakers and comments on topics that AMA members may care to mention. These should be addressed to Alvin E. Dodd at the Association offices.

This not adv  
Vol.  
GENE  
OUTLO  
MONE  
CREDIT  
SECUR  
MARK  
PRODUC  
DISTRIB  
BUILD  
AGRICUL  
COMMERC  
PRICES  
FOREIGN  
AND  
CONDITIO  
LABOR AND  
WAGES



This digest covers the views of various authorities. It does not include any strictly confidential information nor specific advices from the sources.

# BUSINESS CONDITIONS

Vol. 9, No. 7

July, 1936

	ALEXANDER HAMILTON INSTITUTE	BABSON STATISTICAL ORGANIZATION	BROOKMIRE, INC.	THOMAS GIBSON, INC.	
GENERAL OUTLOOK	Of the 15 factors with available indexes, nine advanced as compared with the previous week and six declined (July 11).	Taking the country as a whole, there should be less than the usual seasonal decline in trade this summer (July 6).	Business should soon decline more than seasonally; strikes, drought, election, conditions abroad, stock market readjustment cloud the near term outlook (July 3).	Except for the drought and the strikes trade news is extremely cheerful from nearly every quarter for this season of the year (July 10).	Business high for July 4 of last year.
MONEY AND CREDIT		Banking statistics continue stable; the situation clearly has possibilities of a vast expansion of credit (July 6).	Even with a 25% increase in reserve requirements, banking resources would be more than adequate to permit ultimately a broad credit expansion (July 3).	Easy money promises to be a potent influence in bringing about a rise in earnings during the second half of the year (July 10).	The out of volition of the interest.
SECURITY MARKETS	Failure of the recovery to carry through previous highs and the development of a trading area suggests another secondary reaction (July 9).	Market worries are concerned mainly with short swings—temporary setbacks; fundamental conditions point to a long-pull upward trend (July 6).	Until there are dependable signs that the period of price readjustment is completed, purchase of stocks should be deferred (July 11).	Refunding operations on a large scale will continue through the year, and emissions of securities for new capital will be on the increase (July 10).	Drought over business market.
PRODUCTION	Auto production and cotton textile activity in May dropped below the rate in April but steel mill activity increased (July 4).	Steel production is up 10% in past few weeks; electricity output has reached new high; autos have slipped in a seasonal recession (July 6).	Electric power output has risen to a new all-time peak—a contra-seasonal gain; industrial and home consumption is the cause (July 3).	In the auto field, the cost of developing this year's models has been written off; sales during July, August and September will be velvet (July 10).	Steel current prices actual (July 10).
DISTRIBUTION		Retail organizations can drive ahead with confidence to full share of business; a mistake for them to sail too close to shore (July 6).		During the past week freight car loadings were up nearly 40% compared with the very low 1935 week (July 10).	Car 700,000 the first ahead (July 10).
BUILDING	Private building contracts reached a new high in April, then showed a slight recession in May, declining 2.4% (July 11).	Building statistics available for the first half of June show steadiness of volume, with no downward tendency (July 6).		Residential building for May, 1936, was \$70,253,400 as against \$44,901,800 for 1935; substantial gains were also made in non-residential and public works (June 19).	
AGRICULTURE		Damage to the spring wheat crop has brought estimates down to 180,000,000 bu.; last year's crop was 169,752,000 bu. (June 29).	Certain factors favor higher farm income than last year, further drought would be disturbing and would injure the railroads (July 3).	Nature now threatens a condition that will mean higher prices; such a movement will be aided by the great inflationary ingredients now present (July 10).	Farm revis up; sharp.
COMMODITY PRICES	The index of all commodity prices in May dropped to the lowest level since December, 1934 (June 27).		Along with somewhat greater than seasonal decline, further price weakness may be expected in some quarters; a broad rise is likely later on (July 3).		Commodity up; known soaring on fact.
FOREIGN TRADE AND CONDITIONS	The value of merchandise exported from the U. S. in May showed an increase of 21.1% over a year ago, while imports increased 11.7% (July 11).	The major countries of the world are chalking up steady gains in foreign trade; rebirth of foreign trade is assured (July 6).	The necessity for French devaluation seems accentuated by measures recently adopted, which tend to raise costs and prices (July 3).	The fear that has driven European capital here will not be quickly abated; no important outflow of gold from the U. S. appears in near term prospect (June 19).	Port of the U. S. to feel (July 10).
LABOR AND WAGES	38,970,000 persons were employed in the U. S. in May—a new peak for the recovery period (July 11).	During the latest month on record employment showed a gain of 0.6% and payrolls a gain of 1.7% above the levels of the preceding month (July 6).	The chances of widespread labor disputes, with their unsettling effects on business and markets, will bear close scrutiny (July 3).	Labor unrest usually accompanies a recovery period, but such unrest has never had any important long term influence on the general movement (July 10).	

# NEWS AND FORECASTS

Prepared Monthly by the AMERICAN MANAGEMENT ASSOCIATION  
Reproduction Not Permitted

36

Copyright, 1936 by the AMERICAN MANAGEMENT ASSOCIATION

BUSINESS WEEK	CLEVELAND TRUST COMPANY	GUARANTY TRUST COMPANY	NATIONAL CITY BANK
<p><i>Business Week's</i> index hit a new high for 1936 for the week ending July 4, coming close to the peak of last December (July 11).</p>	<p>Despite a number of uncertainties, it seems probable that business will continue to do well in the remainder of 1936; the year may be the best since 1930 and possibly since 1929 (July 15).</p>	<p>There is no adequate basis to prove that election years are bad for business; what uncertainties do exist are the kind business has been facing for several years (June 29).</p>	<p>June has been another month of good business; optimism has been strengthened with respect to the fall and summer outlook (July).</p>
<p>The RFC appears to be getting out of banking partly on its own volition, partly by the eager action of the banks; it is selling out the interest it acquired in '33 (July 4).</p>	<p>In the first half of 1936, the security markets have done well; stock prices rose steadily, while bonds have advanced to record levels (July 15).</p>	<p>The principal change in the position of the banks recently has been due to the continued inflow of gold and the June 15 financing operations of the Federal Treasury (June 29).</p>	<p>The increase of bank loans is small in relation to the funds available, but it suggests a revival in demand for credit for speculative and business purposes (July).</p>
<p>Drought, menacing farm income, overshadows good news from business quarters and holds the market to somber mood (July 11).</p>	<p>The volume of production after declining in the first quarter, advanced in the second and is now back to the levels of early 1930 (July 15).</p>	<p>The amount of new securities issued declined sharply last month and stood at a somewhat lower total than a year ago (June 29).</p>	<p>With industrial reports indicating that second quarter earnings will be the best since the beginning of the depression, stocks have rallied (July).</p>
<p>Steel's operating rate for the current week is below that of the preceding holiday week, but actual tonnage output is higher (July 11).</p>	<p>Freight car loadings in May were 15% greater than a year earlier; the dollar value of department store sales was 16% higher (July 15).</p>	<p>Electric power production remains at record levels; despite tapering off in auto production, steel has reported three successive weekly rises (June 29).</p>	<p>The "summer recession" in industrial activity is late starting; indications are that it will not be felt until auto factories pause to change for new models (July).</p>
<p>Carloadings broke through the 700,000 mark in the final week of the first half; estimates are that the current quarter will run 11% ahead of same months of 1935 (July 11).</p>	<p>May figures show the value of new construction contracts 70% above that of May, 1935 (July 15).</p>	<p>Sales of 28 store chains, including two mail-order houses, last month, were more than 16% greater than a year ago (June 29).</p>	<p>Department store sales have gone steadily ahead in June; in four weeks ended June 18, Sears, Roebuck had a gain of 26% (July).</p>
<p>Farm income estimates must be revised downward as crops dry up; some food prices have risen sharply (July 11).</p>	<p>Farm income has been running about 15% above that of last year; drought threats are widespread and serious (July 15).</p>	<p>Construction contracts awarded last month, while somewhat smaller than those in April, were far in excess of a year ago (June 29).</p>	<p>Whereas in 1932 public money was supporting 63.2% of construction, in the second quarter of 1936 public money supported only 46% (July).</p>
<p>Commodity prices have turned upward, and stocks have been known to go through the roof on soaring commodity prices, but not on famine news (July 11).</p>	<p>Lower prices of wheat, hogs, beef cattle, and dairy products, with declines in certain other commodities has carried the farm price index from 105 in April to 103 in May (June 29).</p>	<p>If industrial activity is maintained at levels now in prospect, it is probable that farm income will continue to exceed that of a year ago (June 29).</p>	<p>Increased demand for farm products during second half year will keep income from marketings above last year, despite lessening of government payments (July).</p>
<p>Political bickering in Europe and the Orient is hiding serious efforts to avoid trouble; German business feels raw materials shortage (July 11).</p>	<p>Exports last month were slightly larger than in April in terms of dollars, and considerably larger than a year ago, while imports declined (June 29).</p>	<p>The current employment figure issued by the Department of Labor, 85.6% of the 1923-25 average, is the highest since October, 1930 (June 29).</p>	<p>Commodity prices are stronger, not only because drought has raised farm prices, but because of good demand by industry for raw materials (July).</p>
<p>Foreign trade in the first half of the year has done better with imports above exports for the first time in 10 years (July 15).</p>	<p>A major factor in the increased steadiness of industry has been the well sustained employment in the durable goods group (July 15).</p>	<p>Factory payrolls in May were 16% above last year, and farm income 10% higher (July).</p>	